

Newsletter Investor Relations

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Half-year profit back at 2008 level

Rabobank Group: robust position, customer confidence and tentative economic upswing lead to strong results for the first half of 2010

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- **Clients experience tentative economic recovery**
- **50% reduction in bad debt costs**
- **Net profit up 26% to nearly EUR 1.7 billion**
- **Equity up to more than EUR 40 billion**
- **Robust tier 1 ratio: up to 14.9%**
- **Liquidity position remains strong**
- **Annual budget for long-term funding already realised**

'Although the economic recovery continues to be fragile, the Dutch economy is now also showing a tentative upswing, which is helping many of our clients to improve their financial performance,' said Piet Moerland, Chairman of the Executive Board of Rabobank Group. 'Nevertheless, a number of sectors still found themselves in difficulty in the first half of 2010. In these circumstances, we, at Rabobank, continue to support our clients as long as this is justifiable, based on mutual trust and our long-standing relations. As a result of the tentative economic recovery, bad debt costs decreased by approximately 50 percent at Rabobank.'

Thanks to our robust capital position, stable market shares, the trust of our clients and the fragile economic recovery, Rabobank Group's net profit for the first half of 2010 was up 26%, rising to EUR 1,661 million against EUR 1,316 million for the first half of 2009. Our liquidity position continued to be strong and equity increased further to over EUR 40 billion. The tier 1 ratio was up 1.1 percentage points, at 14.9%, and return on equity stood at 10.3%.

'With this strong performance, Rabobank Group has returned comfortably to a sustainable profitability level that will be required in the long term,' said Piet Moerland. 'We need a robust capital position to be able to continue to offer our retail and wholesale clients the best possible services with a view to maintaining good relations with them in the near and more distant future as well. One of our main areas of focus will remain operational efficiency, never losing sight of the interests of our clients and members. And, as a cooperative bank, we will remain committed to our innovation efforts and our role in society.'

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